

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1440800-0

Total Deleted Page(s) = 6
Page 12 ~ Duplicate;
Page 13 ~ Duplicate;
Page 14 ~ Duplicate;
Page 15 ~ Duplicate;
Page 19 ~ b6; b7C;
Page 21 ~ b6; b7C;

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FILES AND RECORDS DESTRUCTION ORDER

Date 5-11-77

TO: SAC, NEW ORLEANS

FROM: SA RAY

RE: File No. 93-2566

I have reviewed this file. and under the criteria set forth in Part II, Section 3, of Manual of Rules and Regulations, this file should be:

Destroyed

under the 6-month 10-year Rule

Auxiliary Office original FD-302s, Laboratory or Latent FP reports and/or 1-A Exhibit or Bulky Exhibit FD-192 green sheets have been forwarded to OO as applicable.

Retained

Justification for Retention is as Follows:

Case Agent's Initials TRC

Supervisor's Initials [Signature]

[Handwritten initials]

FILE STRIPPED
INITIAL egm
DATE 2/26/78

ADDRESS REPLY TO
UNITED STATES ATTORNEY
POST OFFICE BOX 33

United States Department of Justice

UNITED STATES ATTORNEY
WESTERN DISTRICT OF LOUISIANA
3D FLOOR, FEDERAL BUILDING-U. S. COURTHOUSE
500 FANNIN STREET
SHREVEPORT, LOUISIANA 71101

January 27, 1977

Special Agent in Charge
Federal Bureau of Investigation
New Orleans, Louisiana

Re: USA v. Home Health Agency of Evangeline, Inc.
USDC WD La. Civil No. 75-0706

Dear Sir:

On January 17, 1977, a judgment
was imposed against the above-named defendant in the amount
of \$5,642.32. To date, no part of this indebtedness
has been paid and the debtor has neglected to respond to any
of our communications regarding this matter.

We therefore request that your office make an investiga-
tion into the financial ability of the debtor to pay this
judgment in whole or in part. According to our information,
the debtor's last known address was:

Dr. Donald Hines, Agent for Service, 401 N. Marshal Blvd.,
Bunkie, LA 71322

Thank you for your cooperation.

Very truly yours,

DONALD E. WALTER
United States Attorney

By

Assistant United States Attorney

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DEW:LHH:dk



93-2566-1

SEARCHED	INDEXED
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FBI - NEW ORLEANS	
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NO 93-2566
NO 93-2567
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On March 3, 1977, review of civil files numbered 75-0706 and 75-0707 in the office of the U.S. Attorney, Western District of Louisiana, Shreveport, Louisiana, revealed, in part, the following information:

Civil File 75-0706, which is U.S. Attorney's File 75-0245, relates to the Home Health Agency of Evangeline, Inc., in care of Dr. DONALD E. HINES, Medical Director, 401 North Marshal Boulevard, Bunkie, Louisiana.

Civil File 75-0707, which is U.S. Attorney's File 75-0244, relates to Home Health Agency of Avoyelles, 109 North Lexington Street, Box 250, Bunkie, Louisiana.

Home Health Agency of Evangeline and Home Health Agency of Avoyelles were providers of Medicare programs of the Social Security Act. Louisiana Hospital Services, Inc., was the fiscal intermediary which made the payments to the providers. The suits relate to claims against the providers by the Government Accounting Office (GAO) regarding over-payments to the providers under Medicare Programs. Home Health Agency of Evangeline participated in the program from March 7, 1969, to September 15, 1971. Home Health Agency of Avoyelles participated in the program from September 30, 1967, to September 15, 1971. Total indebtedness of Evangeline stands at \$5,642.32. Total indebtedness of Avoyelles stands at \$63,522.36. Judgment was recorded against both companies in U.S. District Court, Alexandria, Louisiana, on January 17, 1977.

In a letter dated July 16, 1975, to the U.S. Attorney, Dr. DONALD E. HINES, 109 North Lexington Avenue, Bunkie, Louisiana, indicates that the corporations are defunct with no assets and have done no business for several years. HINES indicates his attorney to be [REDACTED]

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In a letter dated October 1, 1976, from [REDACTED] to the U.S. Attorney, [REDACTED] indicates that neither of the agencies has operated within the past 5 years and virtually no records exist regarding business transactions

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NO 93-2566
NO 93-2567
TRR/kil

of the agencies. [redacted] indicates that technically he is the attorney for Dr. HINES rather than either of the agencies involved.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/29/77

Dr. DONALD E. HINES, 109 North Lexington, Bunkie, Louisiana, telephone 346-7283, was furnished a copy of an FD 486, Privacy Act Statement. He then furnished the following information:

He resides at 401 North Marshall, Bunkie, Louisiana, telephone 346-6871. He was Vice President and Medical Director of the Home Health Agency of Avoyelles and the Home Health Agency of Evangeline. The Home Health Agency of Evangeline was merely a small extension of the Home Health Agency of Avoyelles. The Home Health Agency of Evangeline operated out of [redacted] building in Ville Platte, Louisiana.

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The purpose of these two agencies was to furnish home health services to persons in Avoyelles and Evangeline Parishes. These services consisted primarily of trained nurses to call on recipients.

[redacted] was President of Home Health Agency of Avoyelles and Home Health Agency of Evangeline. [redacted] resides at [redacted] and works for a sash and door company. He does not know the address of the company. [redacted] travels the state for the company. [redacted] wife is a school teacher in Hessmer.

Both the agencies were incorporated. Louisiana Hospital Services, Inc. was the fiscal intermediary for the agencies. Louisiana Hospital Services is Blue Cross of Baton Rouge.

[redacted] was the administrator of agencies. Originally, [redacted] was to have been the administrator but was replaced by [redacted] prior to the beginning of the operation. Being a physician and medical director, he was not personally related to the record keeping function of the agencies. He later discovered that records of the agencies were maintained very sloppily. [redacted] was responsible for the record keeping. The job was to have been merely a part-time job for [redacted]

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At some point it was decided to form Avoyelles Medical Supply and Avoyelles Leasing Company. Avoyelles Medical Supply was to obtain rental on such items as hospital beds and Avoyelles

Interviewed on 3/21/77 at Bunkie, Louisiana File # NO 93-2566 - 3
~~NO 93-2567~~

by SA THOMAS R. RAY/sjm Date dictated 3/25/77

NO 93-2566
NO 93-2567

Leasing leased two cars for the nurses. The purpose of forming these companies was to hold down costs. The suits in question relate to the fact that the government, in retrospect, disallowed all costs related to those companies because those companies were related to the Home Health Agencies. They had not realized that this would be against government regulations.

There was never a profit made in the venture and there was never any money stolen with regard to the agencies. The agencies were purely non-profit and he received \$200 per month rent for a portion of his medical building. He also received a salary as Medical Director for teaching nurses aides. [redacted] also did not profit from the venture other than receiving his salary of \$500 per month.

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All known records with regard to the agencies were maintained in approximately six boxes in his office. Sometime in the past, he had his son and several other kids clean out a portion of his office storage area because of complaints by the State Fire Marshal. During this clean-up, his son and the other kids threw away all six boxes of records related to the Home Health Agencies including all checks, patient charts and all other records. To the best of his knowledge, there are absolutely no records anywhere with regard to these agencies. Should such records still be available, they would show a deficit rather than any assets which could be obtained by anyone. The agencies have had no checking account since approximately 1970 or 1971. The agencies maintained a checking account at the Avoyelles Trust and Savings Bank.

He personally lost several thousand dollars in the project. He lost \$2,800 on one note that he signed for the agency at the Avoyelles Trust and Savings Bank. [redacted] also was personally indebted to the bank for several thousand dollars with regard to the project.

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The agencies have no legal representation. There might still be some papers regarding the incorporating of the agencies in the office of Bunkie, Louisiana Attorney [redacted]

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE NEW ORLEANS	OFFICE OF ORIGIN NEW ORLEANS	DATE 3/29/77	INVESTIGATIVE PERIOD 3/3 - 21/77
TITLE OF CASE HOME HEALTH AGENCY OF AVOYELLES, INC.; HOME HEALTH AGENCY OF EVANGELINE, INC.		REPORT MADE BY SA THOMAS R. RAY	TYPED BY SJM
		CHARACTER OF CASE AFA	

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LEAD:

NEW ORLEANS

AT SHREVEPORT, LA.

Will contact AUSA, Shreveport, Louisiana regarding possible additional investigation.

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	PRETRIAL DIVERSION	FUG.	FINES	SAVINGS	RECOVERIES		
							PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW
COPIES MADE: 2 - USA, New Orleans (1 - 75-0244) (1 - 75-0245) (4) - New Orleans (2) - 93-2566 (2 - 93-2567)	93 2066 4 Serialized _____ Indexed _____ Filed _____

Dissemination Record of Attached Report				Notations
Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

A*

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 2 - USA, New Orleans (1 - 75-0244) (1 - 75-0245)

Report of: SA THOMAS R. RAY
Date: 3/29/77

Office: New Orleans

Field Office File #: 93-2566
93-2567

Bureau File #:

Title: HOME HEALTH AGENCY OF AVOYELLES, INC.;
HOME HEALTH AGENCY OF EVANGELINE, INC.

Character: ASCERTAINING FINANCIAL ABILITY

Synopsis: On 1/17/77, judgment was imposed against Home Health Agency of Avoyelles, Inc. and Home Health Agency of Evangeline, Inc. in the respective amounts of \$63,522 and \$5,642.32. The Home Health Agencies were providers of Medicare programs of the Social Security Act. Louisiana Hospital Services, Inc. was the fiscal intermediary which made payments to providers. The suits relate to claims against the providers by the Government Accounting Office (GAO) regarding overpayments. Participation in the program began September 30, 1967. Dr. DONALD E. HINES, Bunkie, Louisiana, indicated that Home Health Agency of Evangeline was a small Ville Platte, Louisiana branch of the Home Health Agency of Avoyelles. HINES advised he was Vice President as well as Medical Director of the Agencies. HINES advised that [redacted] currently a sash and door salesman, was President of the Agencies. HINES advised Avoyelles Medical Supply and Avoyelles Leasing were organized for the purpose of renting equipment such as hospital beds and leasing vehicles for the Home Health Agencies. HINES advised the suits relate to costs which were disallowed because of the relationships between the supply and leasing companies and the Home Health Agencies. HINES advised the payments were disallowed in retrospect by the government. HINES advised all records with regard to the Home Health Agencies were not only sloppily maintained but have previously been completely destroyed based on complaints by the State Fire Marshal. HINES advised that if the records were available, the records would show absolutely no assets, but rather would show the agencies to be completely defunct. HINES advised the agencies were non-profit and he personally lost several

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NO 93-2566
NO 93-2567

thousand dollars in the project.

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DETAILS:

Investigation in this matter is predicated upon receipt of letters, dated January 26, 1977 and January 27, 1977, from Assistant U.S. Attorney [redacted] Western District of Louisiana, Shreveport, Louisiana indicating that on January 17, 1977, judgment was imposed against the Home Health Agency of Avoyelles, Inc. for \$63,522 and against Home Health Agency of Evangeline, Inc. for \$5,642.32. The letters requested an investigation into the financial ability of the corporations to pay this judgment in whole or in part.

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UNITED STATES GOVERNMENT

Memorandum

TO : SAC, NEW ORLEANS (93-2566) (P*)
(93-2567)

DATE: 5/2/77

FROM : SA THOMAS R. RAY

SUBJECT: HOME HEALTH AGENCY OF
AVOYELLES, INC.;
HOME HEALTH AGENCY OF
EVANGELINE, INC.
ASCERTAINING FINANCIAL
ABILITY
(OO: NO)

Re reports of THOMAS R. RAY dated 3/29/77.

On 4/26/77, AUSA [redacted] WDLA,
Shreveport, La., advised he has written a letter dated
4/7/77 to the Department of Justice recommending these
matters be closed as uncollectible. [redacted] advised
no reply as yet has been received from the Department.

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LEAD:

NEW ORLEANS

AT SHREVEPORT, LA. Will conduct a check as
to the status of these matters in conjunction with the
annual review of all such cases. Will place this matter
in a closed status at first annual review following
notification by the Department of Justice that the
matter has been closed as uncollectible.

④ - New Orleans
② - 93-2566
② - 93-2567

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93-2566-5

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FBI - NEW ORLEANS	
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UNITED STATES GOVERNMENT

Memorandum

TO : Special Agent in Charge
FBI - New Orleans, La.

DATE: May 5, 1977

FROM : DONALD E. WALTER, U. S. Attorney, WD La., Shreveport 71161
By: AUSA

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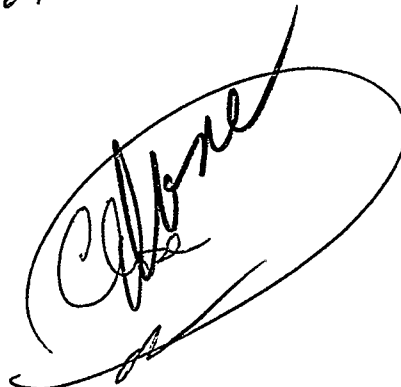
SUBJECT: USA v. Home Health Agency of Avoyelles, Inc.
Civil Action No. 75-0707, WD La.
USA v. Home Health Agency of Evangeline, Inc.
Civil Action No. 75-0706, WD La.
Your Ref: 93-2566 & 93-2567

The Department of Justice has given us authority to close above captioned cases as uncollectible. Therefore, no further investigation is needed by your agency.

Thank you for your cooperation.

DEW:LHH:dk

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1- 93-2567



93-2566-6

SEARCHED	INDEXED
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Ray	TRC



93-0

701 Loyola Avenue
New Orleans, Louisiana 70113

May 16, 1977

Honorable Edward L. Shaheen
United States Attorney
Western District of Louisiana
Post Office Box 93
Shreveport, Louisiana

Attention - Chief, Civil Division

Dear Mr. Shaheen:

Re Annual Survey - Ascertaining
Financial Ability Matters

This will confirm the annual survey conducted by
this office regarding collections in Ascertaining Financial
Ability matters in the Western District of Louisiana.

Information obtained during the survey is set
forth herein under appropriate headings.

Please be assured of our continued cooperation.

Sincerely yours,

1 - Addressee
1 - Bureau (Attn: Data
Processing Section)
27 - New Orleans (1, 93-0)

FRANCIS M. MULLEN, JR.
Special Agent in Charge

Enclosure - 1

(1, 93-2285)	(1, 93-2372)	(1, 93-2481)	(1, 93-2483)
(1, 93-2489)	(1, 93-2516)	(1, 93-2520)	(1, 93-2561)
(1, 93-2566)	(1, 93-2567)	(1, 93-2336)	(1, 93-2552)
(1, 93-2526)	(1, 93-2543)	(1, 93-2514)	(1, 93-2501)
(1, 93-2484)	(1, 93-2462)	(1, 93-2455)	(1, 93-2450)
(1, 93-2442)	(1, 93-2437)	(1, 93-2428)	(1, 93-2419)
(1, 93-2416)	(1, 93-1074)		

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 Serialized _____ *DB*
 Indexed _____ *DB*
 Filed _____

93-2566-7

701 Loyola Avenue
New Orleans, Louisiana 70113
May 31, 1978

NO 93-0

Honorable Edward L. Shaheen
United States Attorney
Western District of Louisiana
Post Office Box 33
Shreveport, Louisiana

Dear Mr. Shaheen:

Re: ANNUAL SURVEY - ASCERTAINING
FINANCIAL ABILITY MATTERS

This will confirm the annual survey conducted by
this office regarding collections in Ascertaining Financial
Ability Matters in the Western District of Louisiana.

Information obtained during the survey is set forth
herein under appropriate headings.

Please be assured of our continued cooperation.

Very truly yours,

FRANCIS M. MULLEN, JR.
Special Agent in Charge

By:

Supervisory Special Agent

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b7c

1 - Addressee
1 - Bureau
14 - New Orleans (1 - 93-0)
 (1 - 93-2285) (1 - 93-2566) (1 - 93-2481)
 (1 - 93-2520) (1 - 93-2567) (1 - 93-2516)
 (1 - 93-2574) (1 - 93-2561) (1 - 93-2372)
 (1 - 93-2483) (1 - 93-2570)
 (1 - 93-2489) (1 - 93-2477)

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